

Ar
Ag
Pa



W-01894A-00-0654

RECEIVED

**RATE OPTION #1
IF PARKERS WITHDRAW REQUEST FOR WIFA LOAN**

2000 SEP 12 P 1:04

AZ CORP COMMISSION
DOCUMENT CONTROL

Grant Step 1 rates only. Parkers can either invest their own money into the water system or submit their own financing application. In any case improvements would have to be completed by December 31, 2001. Once improvements are completed, Parkers can decide if another rate case is needed and file such, probably using a test year ending December 31, 2001.

To accomplish the above, the following amendments need to be made to the proposed order.

Globally

REPLACE: all references to "Mr. George M. Papa dba George M. Papa Water Company" with "George M. Papa Water Company".

Page 3, Line 3

INSERT: "and as amended July 14, 2000," between "2000," and "recommended".

Page 3, Lines 9 through 13

REPLACE: the column of Staff proposed rates with the following column of rates:

"\$18.60
27.90
53.10
75.60
89.10
188.10
278.10
368.10"

Page 4, Line 9

DELETE: Finding of Fact No. 10 and renumber existing Findings of Fact to conform.

Page 4, Line 21

INSERT: the following new Finding of Fact No. 14 and renumber the existing Findings of Fact to conform:

"14. Due to a mathematical error, Staff revised the FVRB to \$141,655."

Page 4, Line 26

DELETE: Findings of Fact No. 16 and **REPLACE** with the following new Findings of Fact No. 16:

“16. Based on Staff’s revised FVRB, the rates and charges recommended by Staff would produce total operating revenues of \$101,836 and adjusted operating expenses of \$85,716², resulting in an operating income of \$16,120 for an 11.38 percent rate of return on FVRB.”

Page 5, Line 3

REPLACE: “\$30,200” with “\$24,369”

Page 5, Line 4

INSERT: a period (“.”) after “return” and **DELETE** the remainder of the sentence.

Page 5, Line 9

REPLACE: “39.2” with “31.6”

Page 5, Line 10

REPLACE: “\$34.69” with “\$32.79” and **REPLACE:** “49.2” with “39.6”

Page 5, Line 11

REPLACE: “\$29.33” with “\$27.43”

Page 5, Line 20

DELETE: “which include the surcharge together with the Company’s projected depreciation expense”.

Page 6, Lines 15 through 17

DELETE: the entire first bulleted item.

Page 7, Line 22

DELETE: Findings of Fact Nos. 32, 33, and 34.

INSERT: the following new Finding of Fact No. 32 –

"At the Open Meeting of September 12, 2000, the Parkers (new owners of the water system) withdrew the request for approval of the WIFA financing."

Page 9, Line 1

REPLACE: "25" with the conforming Finding of Fact number.

Page 9, Line 20

REPLACE: "June 30" with "September 29".

Page 9, Lines 23 through 27

REPLACE: the rates shown with the following two columns:

"\$18.60
27.90
53.10
75.60
89.10
188.10
278.10
368.10"

Page 10, Line 1/2

DELETE: whole line.

Page 10, Line 27

REPLACE: "25" with conforming Finding of Fact number.

Page 11, Line 1

DELETE: "and WIFA surcharge".

Page 11

DELETE: Lines 6 through 11.

DELETE: Lines 18 through 28.

Page 12

DELETE: Lines 1 through 5.